

NATIONAL CREDIT UNION CENTRAL LIQUIDITY FACILITY

BALANCE SHEET AS OF OCTOBER 31

| | <u>2004</u> | <u>2003</u> |
|-------------------------------------|----------------------------------|----------------------------------|
| ASSETS | | |
| Cash | \$10,302.11 | \$10,332.11 |
| Demand Account | 0.00 | 0.00 |
| Accounts Receivable | 0.00 | 0.00 |
| Investments | 1,357,122,911.04 | 1,239,243,885.55 |
| Loans: | | |
| Regular Member | 0.00 | 0.00 |
| Agent Member | 0.00 | 0.00 |
| <i>Total Loans</i> | <u>0.00</u> | <u>0.00</u> |
| Interest Receivable | 2,201,625.36 | 1,231,618.76 |
| Prepaid Expenses | <u>0.00</u> | <u>0.00</u> |
| TOTAL ASSETS | <u><u>\$1,359,334,838.51</u></u> | <u><u>\$1,240,485,836.42</u></u> |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$51,651.09 | \$60,304.25 |
| Dividends Payable | 2,188,787.60 | 1,244,903.27 |
| Interest Payable-LRC* | 386.35 | 8,055.35 |
| Notes Payable-FFB** | 0.00 | 0.00 |
| Regular Member Deposits-LRC* | 237,847.44 | 8,176,481.56 |
| Agent Member Deposits | 0.00 | 0.00 |
| Accrued Interest Payable | 0.00 | 0.00 |
| Other Accrued Expenses | 19,380.38 | 19,099.56 |
| <i>Total Liabilities</i> | <u>\$2,498,052.86</u> | <u>\$9,508,843.99</u> |
| EQUITY | | |
| Capital Stock Regular Members | 53,369,990.00 | 50,968,940.00 |
| Capital Stock Agent Members | <u>1,292,059,216.00</u> | <u>1,168,601,953.00</u> |
| Total Capital Stock | 1,345,429,206.00 | 1,219,570,893.00 |
| Retained Earnings Prior Yea | 11,407,579.65 | 11,406,099.43 |
| Retained Earnings Current Year: | | |
| Unappropriated** | | 0.00 |
| Appropriated | <u>0.00</u> | <u>0.00</u> |
| <i>Total Equity</i> | <u>\$1,356,836,785.65</u> | <u>\$1,230,976,992.43</u> |
| TOTAL LIABILITIES AND EQUITY | <u><u>\$1,359,334,838.51</u></u> | <u><u>\$1,240,485,836.42</u></u> |

STATEMENT OF REVENUE AND EXPENSES FOR PERIOD ENDING OCTOBER 31, 2004

| | <u>CURRENT MONTH</u> | <u>YEAR TO DATE</u> | <u>PRIOR YEAR TO DATE</u> |
|---|--------------------------|-------------------------|-------------------------------|
| INCOME | | | |
| Interest on Loans | \$0.00 | \$0.00 | \$0.00 |
| Income from Investments | 2,201,625.36 | 15,044,177.93 | 12,620,622.53 |
| Other | <u>0.00</u> | <u>\$0.00</u> | <u>0.00</u> |
| <i>Total Revenue</i> | <u>\$2,201,625.36</u> | <u>\$15,044,177.93</u> | <u>\$12,620,622.53</u> |
| EXPENSES | | | |
| Personnel Services | \$10,317.89 | \$105,659.37 | \$104,723.22 |
| Personnel Benefits | 2,392.51 | 26,774.51 | 21,491.02 |
| Employee Travel | 0.00 | 1,448.52 | 1,354.90 |
| Rent, Communications/Utilities | 655.82 | 6,783.92 | 6,208.06 |
| Printing, Reproduction & Postage | 160.00 | 2,515.00 | 4,324.00 |
| Supplies and Material: | 287.00 | 964.00 | 1,542.00 |
| Group Agent Service Fees | 0.00 | 608.12 | 343.72 |
| Other Services | <u>3,311.00</u> | <u>34,477.44</u> | <u>35,154.80</u> |
| <i>Total Operating Expenses</i> | <u>\$17,124.22</u> | <u>\$179,230.88</u> | <u>\$175,141.72</u> |
| LRC Interest Expense | \$386.35 | \$47,768.53 | \$89,741.10 |
| FFB Interest Expenses | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL EXPENSES | <u>\$17,510.57</u> | <u>\$226,999.41</u> | <u>\$264,882.82</u> |
| Reserve for Losses | 0.00 | 0.00 | 0.00 |
| Net Income Before Dividends | \$2,184,114.79 | \$14,817,178.52 | \$12,355,739.71 |
| Dividends Accrued | <u>2,184,114.79</u> | <u>14,817,178.52</u> | <u>12,355,739.71</u> |
| NET INCOME | <u><u>\$0.00</u></u> | | |
| Retained Earnings | | <u><u>\$0.00</u></u> | <u><u>\$0.00</u></u> |
| <hr style="border-top: 1px dashed black;"/> | | | |
| | <u>2004</u> | <u>2003</u> | <u>2002</u> |
| Dividend Rate First Quarter - | 1.19 | 1.43 | 2.2056 |
| Dividend Rate Second Quarter - | 1.13 | 1.28 | 2.3985 |
| Dividend Rate Third Quarter - | 1.54 | 1.13 | 1.887 |
| Dividend Rate Fourth Quarter - | | 1.16 | 1.85 |

***** SELECTED RATIOS *****

| BALANCE SHEET | <u>10/31/2004</u> | <u>10/31/2003</u> | OPERATIONS | <u>Current Month</u> | <u>Year to Date</u> | <u>Prior Year-to-Date</u> |
|---|-------------------|-------------------|--|----------------------|---------------------|---------------------------|
| Stock & Retained Earnings/Total Assets | 99.82% | 99.23% | Total Operating Expenses/Total Revenue | 0.78% | 1.19% | 1.39% |
| Loans/Total Assets | 0.00% | 0.00% | Net Income(before Divs)/Total Revenue | 99.20% | 98.49% | 97.90% |
| Loans/Stock & Retained Earnings | 0.00% | 0.00% | Loan/Total Revenue | 0.00% | 0.00% | 0.00% |
| Total Liabilities/Stock & Retained Earnings | 0.18% | 0.77% | | | | |